

CITIZENS' INDEPENDENT TRANSPORTATION TRUST (CITT)
Budget and Finance Committee Meeting
Tuesday, October 07, 2003
Metro Dade Center
111 NW 1st Street
18 Floor, Conference Room 18-1
9:00 am

Summary of Minutes

CITT MEMBERS:

Theodore Wilde, Chairman
Mike Abrams
Marc Buoniconti
John Cosgrove
Thamara Labrousse
Miles Moss

OTHER PRESENT:

Dr. Carlos Bonzon, Surface Transportation Manager
Bruce Libhaber, Assistant County Attorney
Joanna Santiago, CITT
Jack Furney, CITT
Nestor Toledo, CITT
Pepe Valdes, CITT
Patty David, CITT
Oscar Camejo, MPO
Hannie Woodson, MDT
Peter Evans, Metro Aqua Cats
Richard Snedden MDT
Alberto Parjus, MDT
Karen MacNeil, MDT
Marlene Amaro, CITT
Virginia Diaz, CITT
Mayra Bustamante, MDT
Michelle Brown, MDT
Seraphin Bernard, MDT
Clinton Forbes, MDT
Alina Philipp, CITT
Jose Galan, PWD
Frank Culver, Washington Group
Steven Kraycar, Washington Group
Jim McManus, Washington Group
Hilda Fernandez, Mayor's Office
Ramona Phillips, Phillips Consulting

Mr. Theodore Wilde welcomed everyone. Due to a lack of quorum he asked that the agenda be taken out of order to begin with item 8a "Review of procedures for financial control and auditing relating to county transit, the PTP and surtax revenues". He further thanked Dr. Carlos Bonzon, Surface Transportation Manager, for attending the meeting.

Dr. Bonzon indicated, that the County Manager had recommended to the Board of County Commissioners that the Office of Public Transportation Management (OPTM) and Miami Dade Transit (MDT) merge back to one department under the leadership of Roosevelt Bradley, Director. At the present time, the manager's office is reviewing the organizational chart to determine which positions are needed and will continue to work for the CITT. The County Manager is considering someone to be CITT Secretariat and will make an announcement within two weeks. Once the appointment has been made, he would like to hear from the CITT members as to what additional functions are needed. Once the Secretariat is appointed he/she will work with the Trust to make the final determination on staffing. The table of organization that was distributed to the CITT indicates the Secretariat and four additional positions to support the four committees. In the meantime to continue stability and continuity he has issued a memo appointing Nestor Toledo to continue as the Acting Secretariat and maintain current staff members until a final decision is made.

Mr. Wilde stated that the Budget and Finance Committee has distributed its list of required staff functions. He introduced Jack Furney, who has been designated to work with the Budget and Finance Committee.

Mr. Wilde mentioned that a list of questions found in item 8a was distributed. The questions focused on where the funds are for the surtax being held. Where will the controls of the People's Transportation Plan be located? Who is the counterpart of the CITT within the County staff to ensure that all the requirements of the PTP and the ordinance are met?

Dr. Bonzon asked Mayra Bustamante, Assistant Director of Administration of MDT, to respond. She stated that her department is currently working with county financial advisors on the pro forma of the cash flow and its impact on the current county budget. Completion is expected by the end of October. MDT will make a presentation at the next CITT meeting. The presentation will include the separation of funds to the CITT for specific PTP projects. In the future the CITT will receive reports of incoming funds and the use of those funds by MDT, PWD, municipalities and any other entities.

Mr. Wilde said with the municipalities we have a contract for the release of those funds. What will be the basis for the release of funds to MDT and to PWD?

Ms. Bustamante responded that a budget is created on the total amount each department will be using from the PTP funds, general funds, ect. The CITT will

be able to view the expenditure for each department. She said the MDT staff is working with the budget office to address Mr. Wilde's questions and concerns.

Mr. Wilde stated the funds are going to be partially used for capital investment for future projects. Not all the \$155 million surtax funds will be used in the first years. Who determines how much will be spent? Where will the monies be held?

Ms. Bustamante responded that the pro forma will reflect how much money should be spent yearly and how much cash will carry over for each year. Once the pro forma is completed it will show how much is being spent for operation, capital, debt payment and revenues.

Mr. Wilde said the budget for MDT includes an unrealistic increase in revenues. If there is a shortfall, where will the funds come from? Ms. Bustamante responded that monthly reports will be prepared; the increase in revenues for the past year was an anomaly in the sense that we are not recovering the fare revenues. As part of the process we are doing an analysis of the routes to determine which routes are producing what is expected. There are steps that are needed to ascertain that our budget is in line with the pro forma. If not the monthly reports will indicate necessary adjustments.

Mr. Wilde asked where the PTP funds are being held. Ms. Bustamante responded that the Pro forma will indicate that. Mr. Wilde asked if the Pro forma has any legal weight. Should the CITT need to approve the Pro forma?

Marlene Amaro, said it is in a separate revenue fund.

Jack Furney added that all the tax proceeds go through the county finance department. Then they are distributed as appropriate, for example, to the Public Health Trust; and transit surtax funds go to a special revenue fund under control of the County Finance Director.

Mr. Wilde announced the presence of a quorum for the Budget and Finance committee.

Mr. Wilde asked who in the County is responsible for compliance with the requirements for the PTP. Dr. Bonzon replied that he is ultimately responsible.

Mr. Wilde asked how the audit is going to be conducted and what is the role of KPMG. Jack Furney responded and discussed "Attachment A: Scope of Services" (distributed), which is the audit that outlines the requirements, services and performance specifications.

Mr. Wilde questioned the maintenance of effort, given inflation over time, as mentioned in the Mayor's message on the County budget. He expects that the Pro forma will include the maintenance of effort issues.

Mr. Wilde announced that Dr. Bonzon invited each CITT chairperson to meet separately to review the plans for the Miami Intermodal Center (MIC) and the People Mover. Dr. Bonzon responded that he is following protocol as it is done for the BCC chairpersons.

Mr. Cosgrove suggested to Dr. Bonzon to make a presentation to the Executive Planning Committee, which consists of the Chair, Vice-Chair and all the committee chairs. The meeting can be publicly noticed and would save a lot of time.

Mr. Buoniconti asked what the proposed lines for Baylink are. Dr. Bonzon replied it consists of two loops: a loop within downtown Miami and a loop in Miami Beach. A presentation can be provided at the next CITT meeting if so desired.

Mr. Cosgrove also suggested having the Baylink presentation at the Executive Planning committee as well.

Mr. Wilde announced that the Metropolitan Planning Committee will be holding a workshop October 23, 2003 at 2:00 pm and suggests the members attend. Mr. Moss added that the MPO will be presenting a timetable for the projects and suggested that they should be invited to make a presentation to either the Budget and Finance Committee or the full CITT.

Mr. Cosgrove stated that once the Executive Planning Committee meets it will establish a process for which agenda items will be reviewed.

APPROVAL OF AGENDA

Mr. Wilde said he would like to add CITT Staffing to New Business. Ms. Labrousse moved to approve the agenda, seconded by Mr. Abrams and carried without dissent.

APPROVAL OF MINUTES

Mr. Cosgrove moved to approve the September 16, 2003 minutes, seconded by Mr. Buoniconti and carried without dissent.

OLD BUSINESS

Mr. Wilde stated that at the last Budget and Finance Committee meeting it was decided that both the Budget and Finance and Project Review Committees

review the Washington Infrastructure Group contract. He recommended that the contract be forwarded to the Project Review Committee meeting on October 8, 2003 since the same members, with the exception of Mr. Abrams, attend the committee. In addition, a copy of the MDT contract summary was forwarded to all the members and has been distributed.

Mr. Abrams questioned the cost and duration of the contract. Mr. Hannie Woodson responded that the original \$500k was provided as a standard estimate prior to negotiating with the consultant. The consultant's initial estimate was approximately \$7.4 million, and MDT's initial control estimate was \$957K. Negotiations brought the consultant's estimate down to \$2.1 million through a reduction in the number of hours allowed for most tasks, principal's rates, office overhead, multipliers, and reimbursements.

Mr. Libhaber clarified that the consultants will get a partial payment as each task is completed until the entire job is completed for a total of \$2.1 million whether it is completed within 15 months or 3 years. Furthermore, it was a technical RFQ and once qualifications were determined Washington Group ranked first.

Mr. Abrams also asked if the contract was being paid from the \$188.3 million. Mr. Wilde responded that the CITT approved that at the July 29, 2003 meeting as capital improvement projects.

Mr. Buoniconti asked the Washington Group consultants who attended the meeting if they could provide the committee members with a list of projects that they have completed in the past 3-5 years.

Ms. Labrousse questioned the purpose of reviewing the contract since it has been through the county process and approved by the Board of County Commissioners.

Mr. Abrams stated that the Ordinance limits the CITT authority. The CITT reviews contracts that have already been approved by the BCC. If the input of the CITT were important than the process would be different.

Mr. Cosgrove asked Mr. Bonzon if he could suggest on behalf of the CITT to ask the County Manager and the Commission that after the selection committee and the County Manager has made a recommendation that the contract be forwarded to the CITT before it goes to the BCC for approval.

Mr. Libhaber stated that would require a change to the ordinance. However, he recommends that the contract be forwarded to a CITT committee first, before it is forwarded to the BCC for approval. This allows the CITT to have input to some degree before the contract has been approved by the BCC. Then assuming that the CITT committee and the BCC are in agreement, it will then be forwarded to the full CITT for review.

Mr. Abrams stated questioned why the CITT needs to review the contracts since they have already been approved by the BCC.

Ms. Hilda Fernandez, of the Mayor's Office stated that the Ordinance gives the CITT extraordinary powers that no other county board holds and that is to ratify contracts that have been approved by the BCC. The intent of the Ordinance is to assure the citizens of Miami Dade that the CITT surtax proceeds are being appropriately spent on the People's Transportation Projects. The BCC ensures that the contracts have gone through the proper approval process, and one needs to believe that the process was thorough and objective. It is not the role of the BCC to oversee the PTP money, but the responsibility of the CITT. In addition, she suggested that the CITT have staff provide an analysis of the contract, such as the Legislative Analysis Office provides for the BCC.

Mr. Toledo, Acting Secretariat, noted that staff is preparing an analysis of the recommendation for the Project Review Committee October 8, 2003. Refer questions to Mr. Valdes, who is the staff person to the Project Review Committee.

Mr. Buoniconti suggested that the committee set a list of criteria to be presented to Mr. Bonzon or the County Manager to sign off that the criteria have been met.

Mr. Cosgrove moved to refer the Washington Infrastructure Group contract to the Project Review Committee without further action for consideration, seconded by Mr. Labrousse and carried without dissent.

NEW BUSINESS

Request for Payment of Municipal Surtax Proceeds (distributed)

Mr. Jack Furney, CITT briefly updated the members on the proceeds that have been distributed to the various municipalities, a total of \$13,995,833. An additional \$56 million is available for distribution. Mr. Parjus had been working with the municipalities and has advised them that a consultant is available to help them prepare their transportation plans for submission in order to receive their funds.

Mr. Moss stated that this issue is being discussed at the Project Review Committee and believes that it should remain in that committee.

Ms. Virginia Diaz added that at the last External Affairs committee it was requested by Mr. Morse for staff to follow up with the municipalities that have not submitted their transportation plans and ask them for a date of submission.

Mr. Libhaber noted that the BCC can withhold future payments to the municipalities that do not comply with the Interlocal Agreement.

Mr. Alberto Parjus added that he was handling the Interlocal Agreements, before he started working for MDT recently and seven out of 33 municipalities had submitted their transportation plan. The deadline for submission is October 31, 2003. Some municipalities have indicated that they need assistance in preparing their 5-year transportation plan, which is available.

Mr. Buoniconti asked what the guidelines are for the municipalities.

Mr. Parjus responded that the guidelines are stated in the Ordinance. The municipalities need to submit a transportation capital improvement plan for five years. In addition, they need to submit the total maintenance of effort prior to receiving surtax proceeds in order to determine that they are not using the surtax monies to fund projects that were started before November 5, 2002. Furthermore, the five-year plan needs to be updated yearly.

Mr. Wilde stated that the Interlocal Agreement issue is not a Budget and Finance committee item and should probably remain in the Project Review Committee/External Affairs Committees.

Mr. Cosgrove said the Executive Planning Committee needs to get direction on some of the issues. In the beginning when Mr. Abrams established the committees, the intention was that the Compliance and Oversight Committee was going to review the Interlocal Agreements. There may be some segments that an issue may overlap between more than one committee.

Committee Meetings

The Budget and Finance Committee members agreed to hold all Budget and Finance committee meetings the second Thursday of each month at 10:00 am – 12:00 pm. The next meeting scheduled will be Thursday, November 13, 2003 at 10:00 a.m. location to be announced.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:10 a.m.